

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - X
UNITED STATES OF AMERICA :
:
- v. - :
:
SOHRAB SHARMA, :
a/k/a "Sam Sharma," :
:
Defendant. :
:
- - - - - X

SUPERSEDING INFORMATION

S3 18 Cr. 340 (LGS)

COUNT ONE

(Conspiracy to Commit Securities Fraud as to Centra Tech)

The Attorney for the United States, acting under authority conferred by 28 U.S.C. § 515, charges:

Background

1. At all times relevant to this Information, Centra Tech, Inc. ("Centra Tech") was a company headquartered in Miami Beach, Florida, that purported to offer various cryptocurrency-related financial products. For example, Centra Tech claimed to have a cryptocurrency debit card that allowed users to spend cryptocurrencies such as Bitcoin and Ether to make purchases in real-time at various stores and other establishments that were part of the networks of merchant locations that accept Visa-payment cards and Mastercard-payment cards.

2. SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and co-conspirators not named as defendants herein ("CC-1," and "CC-2," respectively), founded Centra Tech in or about July 2017.

3. At various times relevant to this Information, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, served multiple roles at Centra Tech, including as Centra Tech's President and Chief Technology Officer until approximately late October 2017, and Director of Centra Tech.

4. From approximately in or about July 2017 through in or about October 2017, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, as well as CC-1 and CC-2, sought to raise funds for Centra Tech through, among other means, an "initial coin offering" (the "ICO") in which they solicited members of the investing public to buy unregistered securities, in the form of digital tokens that were issued by Centra Tech ("Centra tokens" or "CTR tokens"). At various times during and after the ICO, Centra tokens traded under the symbol "CTR" on a secondary cryptocurrency exchange called "Ether Delta" (the "Ether Delta Exchange"), which was based in New York, New York.

5. From approximately on or about July 30, 2017 through in or about April 2018, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, as well as CC-1 and CC-2, engaged in a scheme to defraud investors into buying CTR tokens through fraudulent misrepresentations and omissions. Through this fraudulent scheme, SHARMA, CC-1 and CC-2 solicited digital funds worth more than \$25 million from investors who purchased CTR tokens issued by Centra Tech.

6. For example, in soliciting investments in Centra Tech, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, as well as CC-1 and CC-2, made and caused Centra Tech to make the following fraudulent misrepresentations and omissions, among others:

a. SHARMA, CC-1 and CC-2 claimed to investors that Centra Tech had partnerships with Bancorp Incorporated, Visa Incorporated, and Mastercard Incorporated to issue Centra Tech debit cards that would enable users to spend cryptocurrencies to make purchases in-real time at establishments that were part of the networks of merchant locations that accept Visa-payment cards and Mastercard-payment cards. In fact, as SHARMA, CC-1 and CC-2 well knew, Centra Tech had no such partnerships with Bancorp, Visa or Mastercard.

b. SHARMA, CC-1 and CC-2 claimed to investors that Centra Tech's executive team included two purported senior executives named "Michael Edwards" and "Jessica Robinson" who had impressive work histories and academic credentials. In fact, as SHARMA, CC-1 and CC-2 well knew, neither "Michael Edwards" nor "Jessica Robinson" was a real person.

c. SHARMA, CC-1 and CC-2 claimed to investors that Centra Tech held money transmitter and other relevant licenses in 38 states. In fact, as SHARMA, CC-1 and CC-2 well knew, Centra Tech did not have such licenses in all or nearly all of those states.

Statutory Allegations

7. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

8. It was a part and an object of the conspiracy that SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and others known and unknown, willfully and knowingly, directly and indirectly, by use of the means and instrumentalities of interstate commerce and of the mails, and of the facilities of national securities exchanges, would and did use and employ manipulative and deceptive devices and contrivances in connection with the purchase and sale of securities, in violation of Title 15, United States Code, Sections 78j(b) and 78ff and Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses

of business which operated and would operate as a fraud and deceit upon persons.

Overt Acts

9. In furtherance of the conspiracy and to effect its illegal object, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, as well as CC-1 and CC-2, in addition to others known and unknown, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. In approximately July and August 2017, SHARMA, CC-1 and CC-2 caused Centra Tech to publish white papers on the internet containing fraudulent misrepresentations and omissions to deceive investors into buying CTR tokens.

b. Between on or about July 30, 2017 and on or about September 26, 2017, SHARMA, CC-1 and CC-2 obtained funds for the purchase of CTR tokens from at least five ICO investors who resided in New York, New York.

c. Between in or about July 2017 and in or about October 2017, SHARMA, CC-1 and CC-2 used funds raised from Centra Tech investors to purchase CTR tokens traded on the Ether Delta Exchange based in New York, New York at above-market prices for the purpose of artificially inflating the publicly quoted market price of CTR tokens.

d. In or about November 2017, CC-1 and others attended a blockchain technology conference in New York, New York on behalf

of Centra Tech for the purpose of promoting Centra Tech and its products.

e. In or about August 2017, SHARMA caused Centra Tech to use the United States Postal Service to deliver a letter to an investor ("Investor-1") located in New York, New York, thanking Investor-1 and advising Investor-1 of the ability to receive bonus CTRs.

f. In or about September 2017, SHARMA, CC-1 and CC-2 caused multiple cards bearing the "Centra Tech" logo that falsely included the Visa and/or Bancorp logos to be sent and delivered by commercial interstate mail carriers to Centra Tech victim investors in the United States and elsewhere.

(Title 18, United States Code, Section 371.)

COUNT TWO
(Conspiracy to Commit Wire Fraud as to Centra Tech)

The Attorney for the United States, acting under authority conferred by 28 U.S.C. § 515, further charges:

10. The allegations contained in paragraphs 1 through 6 and 9 of this Information are hereby repeated, realleged and incorporated by reference, as if fully set forth herein.

11. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and others known and unknown, willfully and knowingly did combine,

conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, wire fraud, in violation of Title 18, United States Code, Section 1343.

12. It was a part and an object of the conspiracy that SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, would and did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, in violation of Title 18, United States Code, Section 1343.

13. In furtherance of the conspiracy and to effect its illegal object, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, as well as CC-1 and CC-2, in addition to others known and unknown, committed the overt acts listed above in paragraphs 9(a) through (f) of this Information, among others, in the Southern District of New York and elsewhere.

(Title 18, United States Code, Section 371.)

COUNT THREE
(Conspiracy to Commit Mail Fraud as to Centra Tech)

The Attorney for the United States, acting under authority conferred by 28 U.S.C. § 515, further charges:

14. The allegations contained in paragraphs 1 through 6 and 9 of this Information are hereby repeated, realleged and incorporated by reference, as if fully set forth herein.

15. From at least in or about July 2017, up to and including in or about April 2018, in the Southern District of New York and elsewhere, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, mail fraud, in violation of Title 18, United States Code, Section 1341.

16. It was a part and an object of the conspiracy that SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, and others known and unknown, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, for the purpose of executing such scheme and artifice and attempting so to do, would and did place in a post office and authorized depository for mail matter, matters and things to be sent and delivered by the Postal Service, and deposit and cause to be deposited matters and things to be sent

and delivered by private and commercial interstate carriers, and knowingly cause to be delivered by mail and such carriers according to the directions thereon, and at the places at which they were directed to be delivered by the persons to whom they were addressed, such matters and things, in violation of Title 18, United States Code, Section 1341.

17. In furtherance of the conspiracy and to effect its illegal object, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, as well as CC-1 and CC-2, in addition to others known and unknown, committed the overt acts listed above in paragraphs 9(a) through (f) of this Information, among others, in the Southern District of New York and elsewhere.

(Title 18, United States Code, Section 371.)

FORFEITURE ALLEGATIONS

18. As a result of committing one or more of the offenses charged in Counts One through Three of this Information, SOHRAB SHARMA, a/k/a "Sam Sharma," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses that SHARMA personally obtained and

the following specific property: (i) 91,000 Ether units, seized by law enforcement from a digital wallet with the public address Oxda6f983076725cb2899205a16e16dled60a0067a on or about May 2, 2018, and (ii) 9,000 Ether units, seized by law enforcement from a digital wallet with the public address Oxda6f983076725cb2899205a16e16dled60a0067a on or about October 22, 2018.

Substitute Assets Provision

19. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) and Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the

defendant up to the value of the forfeitable property described above.

(Title 18, United States Code, Section 981;
Title 21, United States Code, Section 853;
Title 28, United States Code, Section 2461.)

Ilan T. Graff /s/

ILAN T. GRAFF

Attorney for the United States
Acting Under Authority
Conferred by 28 U.S.C. § 515

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